



STATE OF CALIFORNIA
FRANCHISE TAX BOARD – Legal Department
PO Box 1720
Rancho Cordova, CA 95741-1720
Telephone (916) 845-3306
FAX (916) 845-3648

STEVE WESTLY
Chair

JOHN CHIANG
Member

TOM CAMPBELL
Member

FTB NOTICE 2005-5

October 7, 2005

SUBJECT: INSTALLMENT AGREEMENTS FOR BUSINESS ENTITIES

Section 19008 of the Revenue and Taxation Code, as amended by SB 157 (Stats. 2005, ch. 211), effective September 6, 2005, authorizes the Franchise Tax Board to enter into installment payment arrangements with business entities. Section 19591 of the Revenue and Taxation Code requires the Franchise Tax Board to impose a fee for installment payment arrangements. Pursuant to FTB Notice 2004-9, the amount of the fee for an installment payment arrangement is twenty dollars (\$20). This fee is required to be imposed on all installment arrangements with business entities entered into on and after September 6, 2005.

Business entities may request an installment payment arrangement (installment agreement) by calling 1-888-635-0494. If the installment payment arrangement is approved, a fee of \$20 will be added to the balance due on the account. Separate payment of the installment payment arrangement fee is not required at the time of the application.

The principal author of this notice is Bruce Langston of the Franchise Tax Board Legal Department. For further information regarding this notice, contact Mr. Langston at the Franchise Tax Board, Legal Department, P. O. Box 1720, Rancho Cordova, CA 95741-1720. For further information concerning installment payment arrangements for business entities, contact Chad Cockrum at P.O. Box 1468, Franchise Tax Board Compliance and Resolution Services Bureau, Sacramento, CA 95812-1468.